

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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SUBJECT	Production of Insulating Paper for the USSR at Dolni Branna	DATE DISTR.	12 February 1954
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This is UNEVALUATED Information

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
THE APPRAISAL OF CONTENT IS TENTATIVE.
(FOR KEY SEE REVERSE)

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1. A small paper mill at Dolni Branna¹ (O 51/G 55) in the Vrchlabi District, which is a branch of the Elbe River Paper Factories (Polabske Papirny), National Enterprise, was selected in September 1953 to produce a special insulating paper for electrical engineering purposes. Prior to 1953, this paper - trade mark, ELKO - was imported from Western countries. As Soviet industry was in need of large quantities of this paper, the Soviets ordered research to be conducted in Czechoslovakia, where good paper production specialists are available. 25X1
2. After a series of tests under the direction of Alois Fiedler, the chief production engineer of the Dolni Branna factory, it was decided in about May 1953 that production of ELKO paper was impossible with the materials available in Czechoslovakia and that the process would be too expensive.
3. A week later, the manager of the Dolni Branna paper mill, Jaromir Hejzman, was summoned to Prague, where he was told at the Ministry of Foreign Trade that production of ELKO paper must start or else he might get into serious trouble, since the Soviet Mission in Prague had threatened to regard failure to comply with the order as an act of sabotage. He was promised unlimited funds for production of the paper.
4. At the beginning of August 1953, the first samples of the insulating paper, with qualities similar to those of imported ELKO paper, were turned out. The basic idea of the new process was to make shorter fibers than those available so far, and to glue with chemical instead of natural glues. In spite of these economies, the production costs are almost three times the cost of the imported paper, i.e. about 80 Kcs. per large sheet.
5. The manager of the mill was ordered to go ahead with production in spite of the cost. The Czechoslovak Ministry of Foreign Trade, however, will have to pay the

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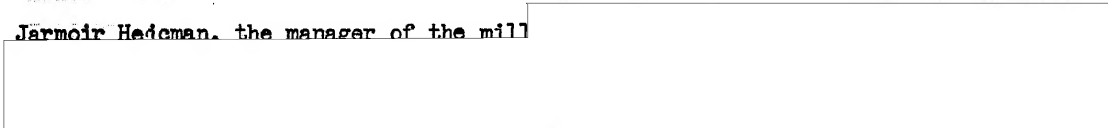
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difference between production costs and the price invoiced to the Soviet trade mission, for this latter price must not exceed that previously paid for imports from the West.

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6. Jaromir Hedeman, the manager of the mill



1.  Comment: Probably the Krkonose Mountains Paper Mills (Krkonosske Papirny), National Enterprise, at Dolni Branna.

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